REMARKS

Examiner Kelly L. Jerabek is thanked for the thorough examination and search of the subject Patent Application.

Claims 1, 3-4, 8, 14-15 and 26 have been amended. Claims 2 and 16 have been canceled

All Claims are believed to be in condition for Allowance, and that is so requested.

Examiner Kelly L. Jerabek is thanked for allowing claims **2-4** and **14-16** if rewritten in independent form including all of the limitations of the base claim.

In order to overcome the objections in regard of a clarification of the term "first static characteristic" claims 1-4, 14-16, and 26 have been amended as advised by the examiner.

Applicant believes that Claim 8 line 10, objected by the examiner, is clear in regard of, which first static characteristic is meant because Claim 8 discloses in line 10 "a watermark generator used to embed in the form of a watermark at least one of said first static camera characteristic", i.e. it may be one or both static camera characteristics.

Reconsideration of rejected claims **1, 5-8**, **10–13** and **26** under 35 U.S.C. 103(a) as being unpatentable over Narayanaswami et al (US pub. 2003/0011684), hereinafter Narayanaswami, in view of Bell et al. (US 2002/0071049), hereinafter Bell, and further in

view of Werner (WO 00/56058) is requested based on amended claims 1, 8 and 26 and on following remarks:

The amended claim 1 of the claimed invention teaches:

1. (currently amended) A method of embedding camera information and image capture related information in a digital form of an image, comprising:

receiving information on a first static camera characteristic suitable to enhance image reproduction;

receiving information on a first static camera characteristic suitable to identify a single camera that is the source of the image by embedding unique single camera characteristics;

receiving camera setting information related to a first captured digitized image; generating an encryption key based at least in part on the first static camera characteristic:

embedding a watermark in said first captured digitized image, wherein the watermark contains at least a portion of the information on the at least one of said first static characteristics and at least a portion of the camera setting information related to said first captured digitized image; and

encrypting the watermark using the encryption key, wherein the first static camera characteristic suitable to enhance image reproduction is a camera image sensor bad pixel characteristic.

Claim 1 has been amended by including the limitations of claim 2, which has been allowed if rewritten in independent form, as advised by the examiner. Claim 2 has been cancelled subsequently.

Claims 6-7 are dependent claims upon base claim 1 which is believed to be patentable according the arguments above.

The amended claim 8 of the claimed invention teaches:

8. (currently amended) A digital camera system, comprising:

an imager;

- a first static camera characteristic associated with the imager in regard of enhancing image reproduction;
- a first static camera characteristic associated with the imager in regard of identifying a single camera that is the source of an image by embedding unique single camera characteristics;
 - a first variable camera setting;
- a watermark generator used to embed in the form of a watermark at least one of said first static camera characteristic and said first variable camera setting information in an image captured by the camera; and
- a key generator configured to generate an encryption key used to encrypt the watermark, wherein said first static camera characteristic for enhancing image reproduction is gamma information.

Claim 8 has been amended by including the limitations of claim 16, which has been allowed if rewritten in independent form, as advised by the examiner. Claim 16 has been cancelled subsequently.

Claims **10-13** are dependent claims upon base claim **8** which is believed to be patentable according the arguments above.

The amended claim 26 of the claimed invention discloses:

26. (currently amended) A method of including camera information and image capture related information in association with a digital form of an image, comprising: capturing an image:

capturing an image.

digitizing the image;

- receiving information on a first static camera characteristic suitable to enhance image reproduction, wherein said first static camera characteristic is gamma information;
- a first static camera characteristic associated with the imager in regard of identifying a single camera that is the source of an image by embedding unique single camera characteristics;

receiving camera setting information related to a first captured digitized image; inserting in a data set associated with the digitized image at least a portion of

the information on the at least one first static characteristic; and transmitting the digitized image and the data set to an image processor.

Claim 26 has been amended by adding the limitation "wherein said first static camera characteristic is gamma information" to "receiving information on a first static camera characteristic suitable to enhance image reproduction".

As the examiner has stated in regard of Claim **16** the prior art fails to teach or suggest "wherein said first static camera characteristic is gamma information".

Therefore Applicant believes that the amended claim 26 is patentable now.

Claims 27-35 are dependent claims upon base claim 26 which is believed to be patentable according the arguments above.

Reconsideration of rejected claim **9** under 35 U.S.C. 103(a) as being unpatentable over Narayanaswami et al (US pub. 2003/0011684), hereinafter Narayanaswami, in view of Bell et al. (US 2002/0071049), hereinafter Bell, and further in view of Werner (WO 00/56058) anf further of Isnardi et al. (U.S. 6,037,984) is requested based on following remarks:

Claim 9 is a dependent claims upon base claim 8 which is believed to be patentable according the arguments above.

Applicants have reviewed the prior art made of record and not relied upon and have discussed their impact on the present invention above.

Allowance of all Claims is requested.

It is requested that should the Examiner not find that the Claims are now allowable that the Examiner call the undersigned at 845-452-5863 to overcome any problems preventing allowance.

Respectfully submitted,

Stephen B. Ackerman, Reg. No. 37,761